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CAMPAIGN OF 1886.

Hon. Edward Blake's Speeches.

No. 15 (First Series).

(MALVERN).—The Liberal Party and the Tariff.

NOTE.—See Inside Cover for List of Mr. Blake's Speeches in first Series. Apply to W. T. R. Preston, Reform Club, Toronto, for Copies of these Speeches.

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THE LIBERAL PARTY AND THE TARIFF.

NECESSITY FOR HIGHER TAXATION THAN IN 1878.

IMPORTANCE OF STABILITY IN TARIFFS.

Not the Cause of the Manufacturing Class in Danger, but that of the Tory Party.

A TRULY NATIONAL POLICY FOR OUR COMMON COUNTRY.

In his speech at Malvern, in East York, on the 22nd of January, the Hon. EDWARD BLAKE dealt with the tariff question as follows:—

Mr. Chairman and Gentlemen,—The issues before you are of transcendent importance; the very existence of Confederation, the national life and honour, are at stake. An unworthy, incompetent, faithless, corrupt, extravagant, neglectful—yes, a treasonable Administration—(cheers)—is on its trial before you for innumerable high crimes against the State—(loud cheers)—and naturally it desires to find some way of escape from the condemnation which it dreads. (Cheers.) Among its methods to accomplish this result is a resort to gross misrepresentations of the actual condition of the tariff question, and of the attitude of the Liberal party on the subject. It is fitting, then, that I should deal with it briefly. I spoke in '82; I spoke a few weeks ago in Toronto; I speak now, as the leader of the party, expounding, on all questions of principle, not merely my individual views, but the common sense, as I understand it, of the great body of the party—the general lines upon which the party, as a whole, would act if entrusted, as they will be soon, with power. (Cheers.) Some of our adversaries, who cannot find much fault with my utterances, presume to say that it is not I who am to expound the party policy on this question, and that you must look elsewhere for light.

of the party have been shaped, under my lead, by the concurrence of its representatives in Parliament, I have already declared them, and I am about to say on them nothing new, but only to repeat and enlarge on my former statements.

What I have said, and am about to say, on questions of principle, you may, then, take as authoritative to whatever extent a leader has authority; and, so far from there being divergence, I can assure you that there is, in my belief, a general concurrence of sentiment between us, including Sir Richard Cartwright, whom I name only because our adversaries delight to represent him as holding other views. (Cheers.)

For the triumph of this policy I will continue to strive, whether in or out of office; and most surely no principle laid down by me as leader shall be violated while I retain my post. (Cheers.) There are, I dare say, in the ranks of the party, as there are in the ranks of all parties of independent men, some divergencies of opinion, particularly on theoretical and abstract and speculative points; but on

THE PRACTICAL QUESTION BEFORE US,

within the scope of the political horizon, there is no such difference as to what is possible and proper as should prevent a common platform on the tariff, or a cordial re-union of all Reformers—indeed, of all honest men—in the effort to change the Government. (Loud cheers.) I do not pretend to say that all the men in our ranks are of precisely the same opinion as to the theoretical merits of free trade or protection. It is not so in the Tory ranks either. I do mean to say that the actual condition so far obliterates the practical importance of any such differences as to give plain and ample ground for common action. (Cheers.) In Toronto a few weeks ago I quoted my

DECLARATION OF 1882,

and I added in a very few sentences my opinions on the altered situation of to-day. Let me quote my words:—

THE TORONTO SPEECH QUOTED.

"The Tariff was enacted in 1879, and in 1882 he appealed to the people. And his appeal was based upon the need to obtain a renewed lease of power, which he assured the people would, if obtained, render

and beyond all danger of attack. He obtained that lease. He has enjoyed and used it. But another election approaches. Those who are well informed on the Conservative side say, whatever they may think, that it is not so very near. Those who have some sources of information on the Liberal side believe it to be much nearer. At any rate it approaches. As the election approaches you find, notwithstanding the pledge of 1882 as to the results of a fresh lease of power, the cry is raised again, "The tariff is in danger! To save the tariff you must once again return the Conservatives to office."

If it be so that it is necessary to give the Conservative party a third lease of power in order to save the tariff, all I can say is that this is an acknowledgment that the principal pledge made by the Government at the last election has not been fulfilled, and that

THEY HAVE FAILED TO ACCOMPLISH

the promise on which they were returned. (Great applause.) I desire to refer very briefly to the

ATTITUDE OF THE LIBERAL PARTY UPON THE QUESTION OF THE TARIFF.

It has been grossly misrepresented. In 1882 I stated my views upon that subject in the most formal manner, by means of the address I issued to the electors of West Durham as a manifesto to the country; by the principles then laid down I still abide. I said:—

You know well that I do not approve of needless restrictions on our liberty of exchanging what we have for what we want, and do not see that any substantial application of the restrictive principle has been or can be, made in favour of the great interests of the mechanic, the labourer, the farmer, the lumberman, the ship-builder or the fisherman. But you know also that I have fully recognized the fact that we are obliged to raise yearly a great sum made greater by the obligations imposed on us by this Government; and that we must continue to provide this yearly sum mainly by import duties, laid to a great extent on goods similar to those which can be manufactured here; and that it results as a necessary incident of our settled fiscal system that there must be a large, and, as I believe, in the view of moderate protectionists, an ample advantage to the home manufacturer.

Our adversaries wish to present to you an issue as between the present tariff and absolute free trade.

That is not the true issue.

Free trade is, as I have repeatedly explained, for us impossible; and the issue is whether the present tariff is perfect, or defective and unjust.

I believe it to be, in some important respects, defective and unjust.

We expressed our views last session in four motions, which declare that articles of such prime necessity as fuel and breadstuffs should be free; that

the sugar duties should be so adjusted as to relieve the consumer from some of the enormous extra price he is now liable to pay to a few refiners; that the exorbitant and unequal duties on the lower grades of cottons and woollens should be so changed as to make them fairer to the masses, who now pay on the cheapest goods taxes about twice as great in proportion as those which the rich pay on the finest goods; and that the duties on such materials as iron, which is in universal use, should be reduced, so as to enable the home manufacturer, to whom it is a raw material, to produce a cheaper article for the benefit of his home consumer, and the encouragement of his foreign trade.

I believe that by changes of the character I have indicated monopoly and extravagant prices would be checked, a greater measure of fair play and justice to all classes would be secured, and the burden of taxation would be better adjusted to the capacity of the people who are to pay. Depend upon it, a day will come when by sharp and bitter experience we shall learn the truth; and many who even now applaud will then condemn these particular incidents of the tariff.

My reference there to the fiscal and financial limitations of our condition has increased force to-day, for since that time enormous sums have been added to the public debt; enormous sums have been added to the annual charge; and notwithstanding the great taxation,

A LARGER DEFICIT THAN WE HAVE EVER KNOWN

since Confederation has signalized the last financial year. *Therefore the execution even of those measures of readjustment which I suggested in that address, and which we had proposed in Parliament in the preceding session, would be found much more difficult to-day by reason of the changed condition of affairs.* We have no longer a large surplus to dispose of—we have a large deficit and a greatly increased scale of expenditure to meet. And it is clearer than ever that a very high scale of taxation must be retained, AND THAT MANUFACTURERS HAVE NOTHING TO FEAR. I then declared that any readjustment should be effected with due regard to the legitimate interests of all concerned. In that phrase, "all concerned," I hope no one will object to my including, as I do, the general public. (Cheers.) In any readjustment I maintain that we should look especially to such reduction of expenditure as may allow of a reduction of taxation, to the lightening of sectional taxes, to the lightening of taxes upon the prime necessaries of life, and upon the raw materials of manufacture, to a more equitable arrangement of the taxes which now

BEAR UNFAIRLY UPON THE POOR

as compared with the rich, to a taxation of luxuries just so high as will not thwart our object by greatly checking consumption, to the curbing of monopolies of production in cases where, by combination or otherwise, the tariff allows an undue and exorbitant profit to be exacted from consumers, and to the effort—a

most important point—to promote reciprocal trade with our neighbours to the south. (Great applause). That is a modest programme, you may say, but I believe it to be an extensive programme, representing the full measure practicable of attainment, and which can be fulfilled only by much expenditure of time and thought, after full investigation, careful inquiry, and ample consideration of details and of the bearing of each proposal, with the advantage of all those materials for forming a judgment on details, which are available only to men in office. (Cheers).

Now, recurring to

THE TARIFF IN ANOTHER ASPECT,

I maintain that it has produced disaster to several important industries, and great consequent injury to the cause of labour. Unduly high protection, while the demand exceeded the supply, gave inordinately high profits, for example, in cotton, in sugar, and in certain descriptions of woollen goods. The public were heavily charged, and a few individuals were greatly enriched. (Applause.) Others wished to share the golden stream. Capital was sunk; mechanics were brought in from abroad; they were brought away from other occupations at home. Production was increased; and then came quickly, in our country of limited demand, the following stages: those of glut, of lower prices, of short hours, of lower wages, of closed factories and discharged hands, of general distress, and of demoralization of trade. Regularity of employment—which is the most important thing for the comfort of those who depend upon their daily work—was for the time destroyed. (Applause.) Now there is some revival, and I observe the First Minister has given his cause for that revival in his speech. He says:—

> There was only one thing to be dreaded in introducing that policy, namely, that it might lead to over-production, and in consequence there would be great depression and insolvency. This was the case with regard to the cotton industry. The cotton manufacturers were so successful in their factories that in all parts of Canada the people rushed into the manufacture of cotton, the consequence being that more of the article was produced than was consumed. A REMEDY FOR THAT HAS BEEN FOUND, HOWEVER, IN THE BUILDING OF THE CANADIAN PACIFIC RAILWAY.

(Loud cheers and laughter.) No! Not so! The remedy they have found has been in combination, in an

AGREEMENT AMONG THE MANUFACTURERS

to advance prices, and perhaps to limit production, and *so we are all called upon by a rapid rise, nay, by several rapid rises, of prices, to contribute to pay dividends on millions of capital needlessly expended in order to create a power of production in excess of the consuming power of the country.* It is clear now that home

competition in this and in other cases cannot be depended on to keep down prices; and the only safeguard, both for the manufacturers themselves, who have witnessed in these instances the disastrous results of high protection, and for the general public, who, in the early stage of inadequate supply, and again in the present stage of iron-clad combination, are called upon to submit to the full burden imposed by the tariff, is to take care that the tariff is

NOT SO INORDINATELY HIGH

that the monopolist, whether he is such by virtue of there being no other manufacturer, or by virtue of a combination, shall have it in his power to take too much out of the general public. (Loud applause.) A great deal we must allow him to take, but the rates (as I have pointed out on former occasions), which this tariff in some industries allows to be taken, are altogether excessive and inordinate. But, it is said that the prices of commodities have been comparatively low of late years, and that this is due to the tariff. The prices are low all over the world. (Loud applause.) The progress of invention, the progress of production, the progress of facilities for transportation, the increased area of cultivation are, to the great gain of humanity, yearly reducing the cost of the articles which are in daily use; and it is

NO JUST COMPARISON AT ALL

to contrast our prices of to-day with our prices of a few years ago. (Loud applause.) If you want to know whether prices are low or high in Canada, your only test is to compare them with the prices of the day in the free or the lowest markets of the world, and then you will see really whether they are comparatively high or comparatively low. Now, make this comparison, and you find prices in several classes comparatively high, and that we are losing in many commodities much of the general gain to humanity by the general progress of the world. (Applause.) Take, for example, sugar. They boast of the low price of sugar. *Sugar is low here compared with its price here a few years ago, but it is inordinately high here compared with the price in England in the present year.* The price of the raw material has fallen enormously. We do not get anything approaching the full benefit of that reduction. We pay infinitely more than they do in England, or in bond at New York. A large part of the excess is paid into the treasury, I frankly admit. A larger sum than I like to see levied on sugar. But a very large part of the excess over the foreign prices, a part approximating on the consumption of the year to $2,000,000 beyond what goes into the treasury, is paid by the people of Canada in effect to assist the refiners to carry on their business. (Loud and prolonged applause.) Now, I pause here, I cannot further this evening discuss this phase of the tariff.

Circumstances constrained me in my Toronto speech just quoted to be extremely brief; allow me now to make a few comments on that text, in some of those respects in which its meaning has been perverted by the Tory press. Observe first, Sir John Macdonald's election declarations of 1882. Then he declared that the object of the election was to establish once and forever the foundations and the structure of the National Policy, then he declared that a verdict in his favour would ensure that result; then he declared that, if again returned to power, he would defy Sir Richard Cartwright, or me, or any one else, at any future time, to take down the edifice which the people would have raised; then he solemnly pledged himself that, if you gave him a new lease, he would so settle and secure affairs as to place the policy beyond all risk of change or danger. (Cheers.) I observed at that time that the situation even then

WAS NOT SUCH AS HE DECLARED;

that already events had settled many things; that no such radical changes as he professed to fear were possible; and I defined our position plainly. But still he professed great nervousness and apprehension. He would not be consoled. (Laughter.) Still he declared that a new lease of power to himself was necessary to secure the permanence of the policy, and that this such a lease would surely do. He obtained what he asked; he obtained full sway and absolute authority; he has since done exactly what he pleased. Up to a few weeks ago he professed that he had fulfilled his pledge. (Cheers.) He still believes in his heart that he has in fact fulfilled it. (Cheers and laughter.) For my part I have always declined to ignore existing facts. I freely acknowledged that the situation had been changed even by 1882; and I have as freely acknowledged that it has been changed far more since 1882; that many things then possible are now absolutely impossible; and that

A MORE PERMANENT STRUCTURE HAS BEEN RAISED.

Some may think it good; some may think it evil; but so it is. To deny it would not subvert it, and we must face the facts as they are. (Cheers.) But now, forsooth, when the elections have come again, Sir John and his followers raise the old cry and play the old game—"The Tariff in danger." They say—"We have broken our promises, we have failed in our predictions, we have not raised a permanent structure; all is still in peril; we want a new lease of power to do the job." (Laughter.) But don't you believe them! They don't believe themselves! It is anything

to get the new lease! (Cheers and laughter.) I have stated the condition in 1882. How do the conditions contrast? Our consolidated fund expenditure in 1878 was $23,500,000; in 1882 it was $27,000,000; and we had a large surplus. And even then I showed the inexorable limitations which had been created. But in 1886 it w s about $36,000,000, apart from war expenditure; and we had a large deficit. Thus the annual charge is now greater by about 50 per cent.; it is enormous; the great bulk of it comes and must come from taxation; and the revenue has not met the charge. Now what are our sources of taxation? Direct taxation is at this time out of the question. The reasons I need not discuss. The advantages and disadvantages I need not balance.

WE ARE DEALING WITH PRACTICAL CONDITIONS,

and no one suggests direct taxation as practicable. (Cheers.) There remain the existing sources, the duties of Customs and Excise. From the liquor duties we cannot expect further relief. By common consent these are kept as high as the danger of illicit evasion will allow; some think higher. (Cheers.) The progress of the Temperance movement will, we all hope, diminish this source of revenue—(cheers)—and when the advocates of total Prohibition succeed these duties will disappear; at any rate the excise will then be "all smoke!" (Cheers and laughter.) There remain the duties of Customs on other commodities, and the conditions demonstrate the impossibility of diminishing to any large extent this fund. We have no longer a surplus to dispose of; we have a deficit to overcome; and, that done, we have a tremendous yearly charge to overtake. "Oh, but," say some Tories, "you can yet do this and make a free trade or non-protective tariff." The statement is

DISHONEST AND ABSURD.

Even in Mr. Mackenzie's time, with his fiscal views, with his moderate expenditure, it would have been absurd. They say it is done in England. But in England a vast sum is obtained by the duties on liquors and tobacco, a vast sum by direct taxation, and it is only a comparatively small proportion of the whole revenue that is realized by the other duties of Customs. No man, I care not how convinced an advocate of absolute free trade for Canada he may be, has yet suggested, no man I believe can suggest, a practicable plan whereby our great revenue needs can be met, otherwise than by the continued imposition of very high duties on goods similar to those we make, or can make, within our bounds; or on the raw materials. (Cheers.) I invite the most ardent free trader in public life to present a plausible solu-

tion of this problem; and I contend that he is bound to do so before he talks of free trade as practicable in Canada. (Cheers.) I have not believed it soluble in my day; and any chance of its solubility, if any chance there were, has been destroyed by the vast increase of our yearly charge, and by the other conditions which have been created. The thing is removed from the domain of practical politics. In their discussions the Tories say that Mr. Mackenzie's was a free trade tariff. I will give you high authorities to the contrary. As a fact, substantial duties were laid on almost everything which we could make at home; and Mr. Mackenzie increased those duties beyond the rate at which they stood when he took office. Sir Richard Cartwright has lately stated that he contemplated a still further increase, and he was right. Subsequent experience has demonstrated the fact that the

CIRCUMSTANCES REQUIRED THAT COURSE.

Now, let me quote my authorities. Mr. White, the present Minister of the Interior, speaking of a tariff constructed on the same general basis as Mr. Mackenzie's, said:—

A fifteen per cent. tariff means more than fifteen per cent. protection to manufacturers. There is the cost of the transport of goods from the other side of the water, which amounts on an average to at least five per cent., so that there is now a protection equal to 20 per cent. That ought to be sufficient for any industry suited to the country, and, as to others, it would be unwise to attempt to sustain them by fiscal props.

Sir John Macdonald said, in 1876:—

My hon. friends laughed a good deal at the expression "Incidental protection." They say it is a contradiction in terms. It is not so. It will be admitted, I think, that the increase of tariff from 15 to 17½ per cent. was a revenue increase imposed for the purpose of raising $3,000,000. It was a revenue tariff, but was it not incidental protection to our manufacturers to the extent of 2½ per cent.? It raised a revenue of $3,000,000, and

INCIDENTALLY PROTECTED OUR MANUFACTURERS

to that extent, and I would venture to say that if the Government had come down with what was understood to be their policy—an increase of the tariff to 20 per cent.—it would have caused a substantial increase in the revenue, and been an additional protection to our manufactures to that extent. It is true you may go beyond the proper limit in taxation. You may tax so high as to diminish consumption, and thereby not effect the purpose you desire. The more expensive you make an article, the greater the tendency to diminish consumption. But if you go to a certain point you increase the revenue and protect the interest of the manufacturer of the articles on which the increased duty is put. You may not get a revenue in proportion to the increase of duty, still there will be a positive increase, though not to the same extent, and by having that increased duty you give confidence to the manufacturer. You increase the wealth of the manufacturer and the prosperity of the work-

ing classes, and you enable them thereby to consume other dutiable articles that will more than make up any loss that may be experienced by the increase of duty, provided that increase be not of such an extent as to be prohibitory and destroy the collection of the duty for revenue purposes.

Again, Sir John Macdonald said in 1877 :—

Although the Prime Minister (Mr. Mackenzie) is a free trader . . . . he has stated that it is not possible to introduce a free trade policy to the full extent, any more than it would be possible to introduce a policy of protection to the extent demanded by its advocates. I had hoped that as he holds such an opinion, which agrees very much with my own, some attempt would have been made to steer a middle course ; that, while not abandoning the principles of free trade, but admitting that the case of this country was exceptional, and that free trade in the abstract would not be carried out satisfactorily to the fullest extent, the Government would have shown a disposition to aid the impoverished national industries in their scheme of taxation.

And Mr. Mackenzie in reply said :—

My hon. friend has stated very correctly the position I have taken—that is, that we have not really the questions of protection and free trade as political principles of action to define or expose in this country.

I beg you to weigh those words of the Tory Ministers ; they are very important compared with later utterances. Now, the only commodities to which the men who pretend such alarm about a radical re-construction of the tariff point, as available sources of taxation, are tea and coffee, the duties on the breakfast table, which they impudently boast they have made free. They have not made it free ! Far from it !

THE ODIOUS AND OPPRESSIVE

character of the sugar duties has taken out of the consumer's pocket more than used to be taken out of sugar, tea, and coffee altogether. (Loud cheers.) And nothing but a grave emergency would justify a tariff which should on the mass of these articles seriously increase the consumer's charge. But at any rate, duties on tea and coffee would be little more than a drop in the bucket ; they have not produced more, if I rightly remember, than a million and a half. What is that out of twenty-two millions ? About one-fifteenth part ! The main burden would, even were those duties added to the present exorbitant sugar duties, remain to be borne as now. So much for that. (Cheers.) Something, and something considerable, we may hope to effect by economy and retrenchment ; but, after all,

THE ENORMOUS PERMANENT CHARGE

which the Tories have imposed on us greatly limits the possibilities of reduction ; our work on this line must be largely to put on

the brakes, and check the frightful rate of increase which the Tories have made systematic; to check it, as Mr. Mackenzie succeeded in doing between 1874 and 1878. (Cheers.) And all we can do will still leave the necessary taxation far, far higher than it ought to be. It is enough to say that we levied thirteen millions of Customs duties in 1875, and the Tories find twenty-two millions necessary now, an increase of near seventy per cent. in the volume of revenue from Customs! I have only to repeat in the most emphatic language my declaration that there is, in my judgment, no possibility of a change in that system of taxation which I have described, the necessary effect of which is to give a large and ample advantage to the home manufacturer over his competitor abroad. (Cheers.)

Some may rejoice at this condition; some may regret it; but all candid and reasonable public men must admit that, after all, it is the condition; and

THIS IS THE VITAL QUESTION.

(Cheers.) Such being the condition, we have repeatedly declared that the real issue is on some of the details of the tariff, whether it be perfect, or defective and unjust. Such being the condition, the aim of every man ought to be to make the best of the situation, and to see that the tariff does as little harm or as much good as possible; is, as far as may be, fair and just; retards as little, or promotes as much as possible, the general welfare. (Cheers.) In 1882 we proposed certain changes which we thought suitable to the case. What was the case? There was an enormous surplus of revenue, and there was every indication that the Tories intended to exhaust this surplus by extravagant increases of expenditure. We considered that sound principles of economy and finance called for the reduction of the excessive surplus by a lowering of taxation, and not by an increase of expenditure. (Loud cheers.) We thought there was room for a great reduction; we believed that advantage should be taken of the occasion, and we proposed certain reforms. What were they? For their nature I refer you to the passages I have quoted from my address of 1882. Since that day marked changes have occurred. The predicted results of the Tory policy have been realized; and the condition of the country in reference to manufactures, to investments, and to transportation arrangements has also altered. No man should ignore in argument the results of these changes; they

CANNOT BE IGNORED IN ACTION.

(Cheers.) I have not ignored them. Refer to the extract I have already read. There is nothing there—I could not honestly say

anything—as to the removal of the tariff of duties having a protective operation in order to the substitution of free trade. I have shown you that this was not possible before 1873; that it was not possible during Mr. Mackenzie's time; that it was still less possible in 1882; and that it is far, far less possible now even than it was in 1882. That being so, I could not honestly propose to accomplish the impossible. It is not said there—I could not honestly say now—that in the changed situation I should propose to execute all the details of all the suggestions of 1882; their principle was sound; but their full execution seems to me no longer possible; and, therefore, I could not properly propose it now. Let me repeat what I said the other day:—

Therefore, the execution even of those measures of readjustment, which I suggested in that address, and which we had proposed in Parliament in the preceding session, would be found much more difficult to-day by reason of the changed condition of affairs. We have no longer a large surplus to dispose of—we have a large deficit, and a greatly increased scale of expenditure to meet. And it is clearer than ever that a very high scale of taxation must be retained, and that manufacturers have nothing to fear.

Again:—

I then declared that any readjustments should be effected with due regard to the legitimate interests of all concerned. In that phrase "all concerned" I hope no one will object to my including as I do the general public. In any readjustment I maintain that we should look especially to such reduction of expenditure as may allow of a reduction of taxation, to the lightening of sectional taxes, to the lightening of taxes upon the prime necessaries of life, and upon the raw materials of manufacture, to a more equitable arrangement of the taxes which now bear unfairly upon the poor as compared with the rich, to a taxation of luxuries just so high as will not thwart our object by greatly checking consumption, to the curbing of monopolies of production in cases where by combination or otherwise the tariff allows an undue and exorbitant profit to be exacted from consumers, and to the effort—a most important point—to promote reciprocal trade with our neighbours to the south.

Again:—

It is clear that home competition in this and in other cases cannot be depended on to keep down prices; and the only safeguard, both for the manufacturers themselves, who have witnessed in these instances the disastrous results of high protection, and for the general public, who, in the early stage of inadequate supply, and again in the present stage of ironclad combination, are called upon to submit to the full burden imposed by the tariff, is to take care that the tariff is not so inordinately high that the monopolist, whether he is such by virtue of there being no other manufacturer or by virtue of a combination, shall have it in his power to take too much out of the general public. (Loud applause.) A great deal we must allow him to take, but the rates (as I have pointed out on former occasions), which this tariff in some industries allows to be taken, are altogether excessive and inordinate.

You see that I directed attention to specified evils, those of inordinately high duties in certain cases, and of unjust duties as be-

tween rich and poor, evils which I thought and think ought to be redressed as far as may now be possible, though our power even here is greatly limited. You observe that coming to details, I no longer, for my own part, saw my way to propose absolute freedom in commodities, which in 1882 might have been made free. Candor obliged me to speak, no longer of "abolition," but of a "lightening," of taxes on some necessaries. That was all I thought now practicable, and the same idea I presented at Welland and elsewhere, when I spoke of the "reduction," and not of the "abolition" of such taxes. As I shall show you presently, it is

NO PART OF THE DUTY OF A MAN IN OPPOSITION

to frame the details of a tariff, and if I depart even a little from that line for a moment, and express an opinion on one detail, it is only because in 1882, a specific proposal was made. I may say, then, that my personal opinion is that we should at all risks dispense with the odious and heavy tax on corn flour, upon which certain of the poorer classes in the East, who cannot afford wheat flour, are actually obliged to pay a heavier tax than their richer neighbours pay on their superior food. But as to wheat and wheat flour I think that the changed conditions point rather to a reduction of duties, with a readjustment of the disproportion between the tax on wheat and that on flour, than to a total abolition; and so of coal. Therefore it was, that being unable to promise anything which I did not see my way to perform, I spoke of "lightening," of "reducing," rather than of abolishing this class of taxation. (Cheers.) I am not blind to the fact that in many cases the conditions of trade and manufacture, the investments of capital, the establishment of industries, the great and often overruling question of transportation rates, and other circumstances present important, complicated, and difficult problems, which must be grappled with before changes are made.

Therefore, I declared the other day, when speaking of my plans:

> That is a modest programme, you may say, but I believe it to be an extensive programme, representing the full measure practicable of attainment, and which can be fulfilled only by much expenditure of time and thought, after full investigation, careful inquiry, and ample consideration of details and of the bearing of each proposal, with the advantage of all those materials for forming a judgment on details, which are available only to men in office.

I am not going, as I told you, to attempt the task of making up a tariff in Opposition. It is impossible! Sir John Macdonald has acknowledged it. In 1878, Sir John said:—

> The First Minister (Mr. Mackenzie) very truly said some years ago, that they (the then Opposition) were not called upon to find a policy for the country; that the responsibility of finding such a policy rested with the Ministry of

the day; and that the constitutional duty of the Opposition was to criticise the administration and legislation of the Government, to hold them in check, to warn them when they were going wrong, to censure them when they had gone wrong, and generally to criticise and observe upon the course of administration and legislation. If the Opposition chose to take a further step, they might do so certainly; but it is not forced upon them, and it is not forced upon them in reference to any subject. It is not forced upon the Opposition to find a new policy with regard to matters of revenue, and tariff, and expenditure; they could not, of course, because they have not the power to do so. As far as matters of tariff are concerned, it is impossible for the Opposition to enter into details, or explain before the House and the country their policy; they have not the materials; the Government alone have the opportunity, and the only opportunity of collecting the facts upon which a tariff can be formed.

The Finance Minister has already informed you that even with all the materials he has at hand, it is not an easy matter to form the tariff; and it would be presumption in the Opposition to attempt to do so. I shall therefore confine myself to general principles.

I quite agreed in that view then. I act upon it now. I believe that, even when in Government, time, investigation, inquiry, a full opportunity to every interest to state its views and bring forward its facts, an intelligent appreciation of the bearings of the case, as they exist at the time, and of the multiform conditions by which we are surrounded, are absolutely essential preliminaries to a decision upon details.

And I will for my part

NEVER CONSENT TO ANY CHANGE

which shall not be preceded and justified by such inquiry. Our adversaries talk of us as about to act like a bull in a china shop, knocking down all the crockery on the shelves. (Laughter.) We have no such intention. We have more sense. (Cheers.) What an absurdity it would be not to recognize existing facts, not to avail ourselves fully and freely, with frank and unprejudiced minds, of all the knowledge and all the experience which has been accumulating; not to direct our course by the light so to be gained! (Loud cheers.) Lastly, I have always recognized the

GREAT IMPORTANCE OF STABILITY IN TARIFFS;

it is one of the most material things. I have witnessed with pain and regret the constant tinkering with the tariff which has gone on for the last few years. Much of it might have been avoided by proper care and inquiry before action. I think changes should be as few and as infrequent as possible; and should never take place save to secure a substantial public good, or to remove a serious public evil. It is on this principle that I should deal with questions of change. (Cheers.) We have not, as I have often

explained, any of the animosity charged upon us against manufacturers. Many of the most intelligent and prosperous manufacturers are Reformers; and, notwithstanding the

STRENUOUS AND SOMETIMES UNWORTHY OPPOSITION

of some of that class, we retain a kindly feeling and interest in its success. (Cheers.) We desire to give all due consideration to its legitimate interests. But, as I said the other day, we must consider the public interests; and where those interests may be opposed to exorbitant demands of some members of a class, we must decline such demands. (Loud cheers.) I believe the true and permanent interests of the several classes are reasonably reconcilable. (Cheers.) This reconciliation should be our aim; and we have shown our desire to subserve the real interests, at once of manufacturers and of the public at large, by striving for a reduction of the duties on raw materials, and for facilities for obtaining an enlarged market abroad, so as to provide the main requisites for cheap, regular, and profitable production—low-priced raw materials and a widely spread and large consumptive demand. (Cheers.) I have said that there are, even to-day, after all our losses of '78, many manufacturers in the Reform ranks; and I believe that some of those who left us are now disposed to return. (Cheers.) We will welcome them back! (Loud cheers.) But, in their desparation, the Tory party has concerted a scheme under which a strenuous effort is now being made by Tory politicians, and Tory manufacturers, who are, some of them,

MORE MANUFACTURERS OF POLITICS

than anything else—(cheers and laughter)—to frighten or persuade our present friends to leave us, and our former friends to keep away. They disavow party action; they are acting under false pretences; but I know them, and denounce them now! (Cheers.) No greater compliment than this was ever paid to the integrity and justice of a political party! So confident are these men of the fidelity to principle of the Liberals, that they are ready to run the risks involved in setting all the manufacturing class on one side, and the great Liberal party on the other side of politics! They are right in believing that even if they did succeed in setting us face to face in hostile array with the solid body of the manufacturing class, we would still strive to do them justice. (Cheers.) But I should deeply deplore such a result! (Cheers.) I have ever endeavoured to prevent a cleavage in politics by classes. (Cheers.) It is bad for the commonwealth; and it is worse for the class. (Loud cheers.) Such a situation

COULD NOT BUT BE HURTFUL TO BOTH SIDES.

It would leave the Liberals without that advice and information, that sympathy, support and encouragement which are important factors in the conduct of a party and the framing of the details of a policy; and thus it could not produce a beneficial result on the cause it is professedly designed to serve. (Cheers.) I say professedly; for

THE PROFESSED IS NOT THE REAL CAUSE.

(Cheers.) The real cause to be served is not that of the manufacturers, but that of the Tory party. (Loud cheers.) The scheme, if it succeds, may indeed help their desperate cause; but it will not avert their doom; it cannot give them a victory! (Loud and prolonged cheers.) We shall win whether these unworthy tactics succeed or not! (Renewed cheers.) We shall win in our struggle for the preservation of the national life! (Cheers.) We shall win anyway! But I hope and believe that we shall win with the support and assistance, and thus with the continued influence on the fortunes of the party and the policy of the country, of old friends returned to us, as well as those of that great interest who have up to this time remained faithful to the Liberal cause, and who, I am assured, will not be induced by the false pretences and fraudulent devices of the enemy to desert our colours now, just as we are closing our ranks for the last assault upon our discredited, demoralized, desperate, and half-beaten foes. (Loud cheers.) No! We shall win with the help of all Reformers of all classes; and having so won, we will, by their continued help and with their cordial support, give at last to our common country a broad and comprehensive, a truly national policy. (Loud and prolonged applause.)